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June 23, 2011

The Honorable E. Norman Veasey
Weil, Gotshal & Manges LLP
1201 North Market Street
Suite 1402
Wilmington, DE 19801

RE: Campaign Contributions Investigation

Dear Chief Justice Veasey:

This will confirm our understandings concerning the state-law implications, if any, of the federal investigation conducted by the United States Attorney's Office of alleged campaign contribution law violations. The Acting United States Attorney has notified our office that he intends to refer information relating to potential violations of Delaware's election or campaign finance laws. The Attorney General has determined that independent counsel should be appointed to conduct or direct the conduct of the investigation into the violation of any potential campaign contribution laws of the State of Delaware arising out of the federal investigation referred to above.

Therefore, in accordance with the powers vested in the Attorney General by 29 *Del. C.* § 2505(d), and pursuant to the enclosed "Statement of Recusal and Appointment of Independent Counsel" the Attorney General has appointed you to

serve as independent counsel for the limited purpose of pursuing the investigation of any evidence or matters referred to the Delaware Department of Justice by the Acting United States Attorney for the District of Delaware, relating to any alleged violations of the election laws or campaign financing laws of the State of Delaware ("the Engagement"). As such independent counsel, you are appointed as a special Deputy Attorney General and you shall have such powers and authority as are necessary and appropriate to carry out the limited responsibilities set forth herein on the same basis as the Attorney General or any Deputy Attorney General of the State of Delaware.

Furthermore, knowing that you are a member of the Delaware Bar in good standing and that you are a Senior Partner in the law firm of Weil, Gotshal & Manges LLP ("Weil"), you shall have full authority, in your discretion, and subject to your supervision, to delegate or assign the conduct of any part of the Engagement to any partner, associate or paralegal in the Weil firm to assist you. Such personnel will be subject to the standards of confidentiality that apply to criminal investigations.

With respect to expenses and compensation for professional services of Weil in connection with the Engagement, it is my understanding that you will first undertake an initial examination of any materials or evidence referred to the Delaware Department of Justice by the Acting United States Attorney for the District of Delaware. You have advised me that there will be no fees for professional services submitted to the State of Delaware for this initial

examination. There may be some out-of-pocket expenses, however, for which Weil may seek reimbursement.

After you and your colleagues have conducted this initial examination and you are in a position reasonably to evaluate the scope of the investigation and any further action that may be required of you and Weil, you will advise me of the basis on which Weil will seek to be compensated. Thereafter we will undertake to enter into a further agreement relating to Weil's compensation for professional services in this matter.

Before proceeding with this Engagement, I understand that it is necessary to provide for waiver of potential conflicts. To that end, I am in agreement with the following: Weil is a general service law firm that the State recognizes has represented, now represents, and will represent numerous clients (that may include, without limitation, clients of Weil who are adverse to the State of Delaware in unrelated matters) nationally and internationally, over a wide range of industries and businesses and in a wide variety of matters. The State also specifically recognizes that Weil may represent the adversaries of the State, its departments, divisions, subdivisions or state officers (hereinafter collectively referred to as "the State") in matters not substantially related either to the Engagement or to other legal services that Weil has rendered, is rendering, or in the future may render to the State.

As an example, when Weil's financial restructuring and bankruptcy practice represents an entity in financial distress, Weil could be called upon to act adversely to certain of that entity's numerous creditors, equity interest holders, or

other parties in interest that may also be the firm's clients in unrelated matters. Thus, without a binding conflicts waiver, conflicts of interest might exist or arise that could deprive the State or other clients of the right to select Weil as their counsel. This agreement allows Weil, among other things, to serve as counsel in litigation adversely to the State on matters that are not substantially related to the legal services that Weil has rendered, is rendering, or in the future will render pursuant to the Engagement ("Allowed Adverse Representations"). Therefore, as an integral part of the Engagement, the State agrees that Weil may, now or in the future, represent other clients in Allowed Adverse Representations.

The State also agrees that it will not, for itself or any other entity or person, assert that either (a) Weil's representation of such entity or person in any past, present, or future matter or (b) Weil's actual, or possible, possession of confidential information belonging to the State or such entity or person is a basis to disqualify Weil from representing other clients in Allowed Adverse Representations. The State further agrees that Allowed Adverse Representations do not breach any duty that Weil owes to the State.

This will also confirm that Weil has not been asked to, and does not by undertaking this Engagement agree to, (a) establish an attorney-client relationship with, or (b) provide individual legal advice to, any entities of, or affiliated with, the State, or the State's individual officers or employees. Weil may establish an attorney-client relationship with, and provide legal advice to, these entities or individuals only if Weil is asked and specifically agrees to do so in writing. Should Weil respond to a Request for Proposal ("RFP") for legal services

issued by the State in the future, the State's outside counsel policies governing such RFP will apply to Weil's response to the RFP.

Should any conflict with another Weil client exist or occur, Weil will set up a screen between those representing the State or such other entity or person with respect to such matter, and all lawyers and other personnel having any conflict with the State or other person or entity shall undertake to prevent information from passing from one side of the screen to the other, and prevent all screened-off personnel from gaining any access to the State's documents, strategies, or other confidences. The State hereby consents to these screening procedures in connection with Weil's representation of such persons or entities.

Weil may cease providing services to the State and terminate this Engagement as may be permitted by the applicable rules of ethics and professional conduct in effect at the time of termination, or by order of a court or other tribunal. The State may terminate this Engagement at any time, but doing so, or termination by Weil as provided in the preceding sentence, does not relieve the State of any obligation arising during the Engagement or for any compensation agreement. This agreement will continue in effect after Weil's representation of the State has ceased. Once the Engagement has concluded, however, Weil will have no responsibility to inform the State about changes in the law that affect advice or opinions that Weil has previously provided.

The laws of the State of Delaware alone (including all rules of ethics and professional conduct that apply to the providing of legal services), and without regard to its conflicts of law rules, shall govern this agreement and its

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interpretation. Any dispute relating to this Engagement shall be decided exclusively by the courts of the State of Delaware. Both Weil and the State consent to the jurisdiction of these courts and waive any right to a jury trial.

Please review this agreement. If the foregoing is in accord with your understanding of our agreement, please execute and return the enclosed copy of this letter.

Very truly yours,


Lawrence W. Lewis
State Solicitor

Agreed and accepted on behalf
of the undersigned individually and
on behalf of Weil, this 23^d day
of June, 2011.


E. Norman Veasey
Senior Partner

Enclosure